



2022/2023 RPM Base Residual Auction Results

Executive Summary

The 2022/2023 Reliability Pricing Model (RPM) Base Residual Auction (BRA) cleared 144,477.3 MW of unforced capacity in the RTO representing a 21.1% reserve margin. Accounting for load and resource commitments under the Fixed Resource Requirement (FRR), the reserve margin for the entire RTO for the 2022/2023 Delivery Year as procured in the BRA is 19.9%, or 5.4% higher than the target reserve margin of 14.5%. This reserve margin was achieved at clearing prices that are between approximately 19% to 56% of Net CONE, depending upon the Locational Deliverability Area (LDA). The auction also attracted a diverse set of resources, including a significant increase in gas fired combined cycle generation, Energy Efficiency resources and new wind and solar resources.

The 2022/2023 BRA is the third where PJM has procured 100% Capacity Performance (“CP”) Resources. CP Resources must be capable of sustained, predictable operation, and are expected to be available and capable of providing energy and reserves when needed throughout the entire Delivery Year. As was the case with the 2021/2022 BRA, the 2022/2023 BRA was conducted under the provisions of PJM’s Enhanced Aggregation filing (Docket ER17-367-000 & 001) which was accepted by FERC on March 21, 2017. The 2022/2023 BRA is the first RPM auction conducted under the expanded application of the Minimum Offer Price Rule resulting from FERC’s December 19, 2019 Order¹.

2022/2023 BRA Resource Clearing Prices

Resource Clearing Prices (RCPs) for the 2022/2023 BRA are shown in Table 1 below. The RCP for CP Resources located in the rest of RTO is \$50.00/MW-day. MAAC, EMAAC, BGE, COMED and DEOK were constrained LDAs in the 2022/2023 BRA with locational price adders, in regards to the immediate parent LDA, of \$45.79/MW-day, \$2.07/MW-day, \$30.71/MW-day, \$18.96/MW-day and \$21.69/MW-day, respectively, for all resources located in those LDAs. For comparison, the RTO’s resource clearing price in the 2021/2022 BRA was \$140.00/MW-day. Additionally, the EMAAC, PSEG, BGE, ATSI and COMED LDA were constrained LDAs in the 2021/2022 BRA with RCPs of \$165.73/MW-day, \$204.29/MW-day, \$200.30/MW-day, \$171.33/MW-day and \$195.55/MW-day respectively.

2022/2023 BRA Resource Clearing Prices

Capacity Type	2022/23 BRA Resource Clearing Prices (\$/MW-day)					
	Rest of RTO	MAAC	EMAAC	BGE	COMED	DEOK
Capacity Performance	\$50.00	\$95.79	\$97.86	\$126.50	\$68.96	\$71.69

¹ Docket Nos. EL16-49-000 EL18-178-000 (Consolidated)